

HARBOR BANKSHARES CORPORATION

	CPP Disbursement Date 07/17/2009	RSSD (Holding Company) 2008130	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$250	\$240	-3.7%		
Loans	\$195	\$187	-3.9%		
Construction & development	\$7	\$12	66.7%		
Closed-end 1-4 family residential	\$22	\$28	27.3%		
Home equity	\$3	\$3	-5.9%		
Credit card	\$1	\$1	-3.7%		
Other consumer	\$1	\$0	-47.9%		
Commercial & Industrial	\$51	\$46	-10.2%		
Commercial real estate	\$99	\$87	-12.7%		
Unused commitments	\$13	\$10	-18.1%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$0	\$0			
Asset-backed securities	\$0	\$0			
Other securities	\$22	\$22	-0.6%		
Cash & balances due	\$6	\$15	126.8%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$225	\$214	-4.9%		
Deposits	\$217	\$206	-5.0%		
Total other borrowings	\$5	\$5	0.0%		
FHLB advances	\$5	\$5	0.0%		
Equity					
Equity capital at quarter end	\$25	\$27	8.0%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$2	\$1	NA		
Performance Ratios					
Tier 1 leverage ratio	7.3%	8.3%	--		
Tier 1 risk based capital ratio	9.4%	10.9%	--		
Total risk based capital ratio	10.7%	12.2%	--		
Return on equity ¹	-27.2%	0.4%	--		
Return on assets ¹	-2.6%	0.0%	--		
Net interest margin ¹	4.4%	5.0%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	54.2%	47.8%	--		
Loss provision to net charge-offs (qtr)	281.3%	30.3%	--		
Net charge-offs to average loans and leases ¹	0.8%	1.8%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	0.0%	23.2%	0.0%	0.0%	--
Closed-end 1-4 family residential	4.1%	6.6%	0.0%	0.1%	--
Home equity	0.0%	9.7%	0.8%	0.0%	--
Credit card	0.7%	4.7%	1.3%	0.0%	--
Other consumer	0.0%	0.0%	0.6%	0.0%	--
Commercial & Industrial	6.8%	4.3%	0.0%	0.3%	--
Commercial real estate	2.9%	4.3%	0.4%	0.8%	--
Total loans	5.1%	5.6%	0.2%	0.5%	--